Prioritization of Medical Outcomes

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Healthcare Financial Crisis on the Horizon

- Bad habits of all our populations
  - Smoking
  - Obesity with its multiple attendant issues
    - HTN
    - CV disease
    - Diabetes
- War and especially Trauma Survivors who will require significant care for years to come
- Baby Boomer generation impacting Medicare

How can we get Good Outcomes?

- Need to move our healthcare system to focus on good outcomes…….

- SAFETY is required for good outcomes so must = goal #1
- COURTESY is required to help our patients WANT to work with and trust us.
- EFFICIENCY and EFFECTIVENESS is required in all aspects of the provision of care

Institute of Medicine

- ***The IOM suggests that***
  - redesigning systems of care within practices to reduce variation and
  - adopting better systems to support the physician will improve quality and
  - much of care delivered is outside accepted guidelines
- Errors of omission (under-use) and commission (over-use) abound
- Economic analyses estimate that between 20% and 33% of all costs of care are due to waste and inefficiencies

Newt's Vision for Civilian Healthcare

- We must develop immediate short-term savings and a long-term future strategy
- Where service providers are free to:
  - compete, based on the published value of the services they provide, and
  - rewarded for high performance.
- Where patients, as consumers, are free to:
  - choose their providers,
  - are sensitive to the value of the services they consume, and
  - engaged in better managing their health.

Two Fundamental Problems

- 1. Stakeholder(s) making purchasing decisions don't always bear responsibility for payment….
- 2. Stakeholder(s) making investments to improve efficiency & effectiveness don't receive increased profit from their work
    - The "Make Widgets" model of health care is counterproductive……
    - Consumer/patient investment must be at center of model
    - Patient, provider and purchaser incentives must be aligned in a consumer-driven model
    - Plan designs should support consumer choice, but must also support value based consumer decisions – responsibility for choices
    - Info on Provider efficiency (cost over time) and effectiveness (quality) must be available to all stakeholders in easy to understand format…..
    - Providers must be rewarded appropriately for investments that lead to savings for purchasers and consumers - - how can we get there?

Our Mission

- Improve quality of care through rewards and incentives that
  - Encourage providers to deliver optimal care **-**
    - **Belief in and use of evidenced based medicine (EBM) is vital to success.**
    - **Providers MUST have <u>easily used</u> Clinical practice guidelines based on EBM at the point<u>s</u> of care (integrated into the visit in AHLTA).**
- Education that allows and encourages patients to <u>seek</u> evidence-based care and <u>self-manage</u> their own conditions
    - (See next slide)

WellPoint Self Care Initiative

Better Health Lower Costs

State Sponsored Business conducted a comprehensive analysis of 12,525 of its Medicaid members who were enrolled in the ***Self-Care Initiative*** in 2005 and were also continuously enrolled with the health plan beginning in 2004 through June 2006 with no more than one gap in enrollment of up to one month during the time period. The ***Self-Care Initiative*** intervention date for each of the 12,525 members was between January 1, 2005 and June 30, 2005. The rates for each measure were calculated based on paid claims data extracted in August 2006 and reflect utilization of services 12-months prior (pre) to the intervention date and 12-months after (post) the intervention date, excluding pregnancy-related services. The following remeasurement results demonstrate the successful outcomes observed through the Self-Care Initiative, results were statistically significant based on a paired t-test (p<.0001).

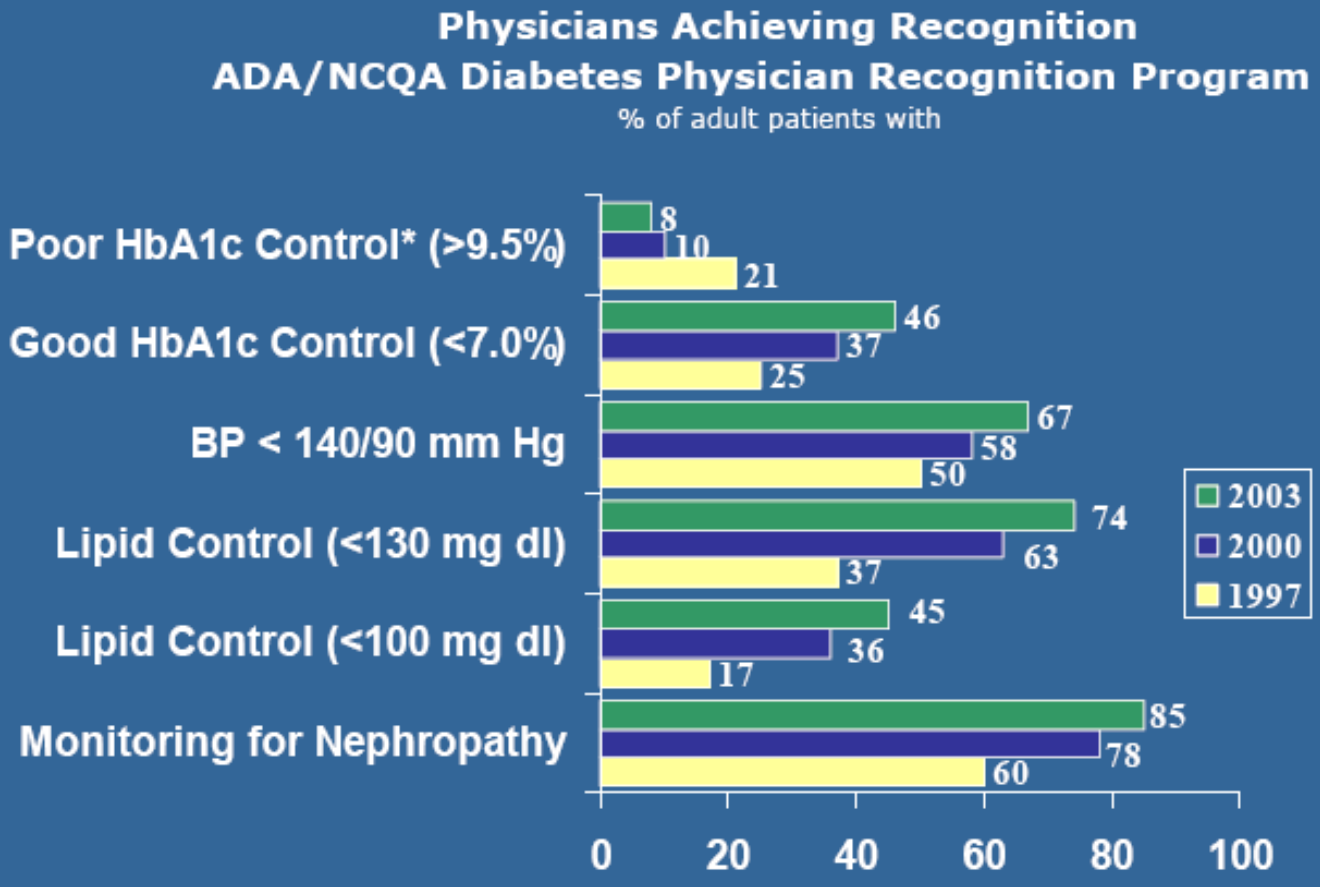
Self-Care Initiative Outcome Results (n=12,525)			
Measure	**12-Months Pre-Intervention**	**12-Months Post-Intervention**	**Change**
ER Visits			
Total Count	40,917	20,075	51% decrease*
Rate: Visits Per Member**	3.27	1.60	
Inpatient Admissions			
Total Count	2,672	1,595	40% decrease*
Rate: Visits Per Member**	.21	.13	

** Statistically significant change from "pre-intervention" rate, p<.0001*
*** Visits per member based on sample of 12,525 members.*

Transformation Vision Intelligent Health System

- The individual has
  - accurate, timely knowledge of their health needs,
  - access to the best information about how to maintain their health (and systems which encourage sound health management),
  - knowledge of who and where to go if they have health needs,
  - an assurance that their health providers will be using best practices based on the most recent understanding of outcomes based medicine.
- Knowledge of health and knowledge of finances would be available at the most accurate, least expensive and most convenient manner possible.
- The individual is the center of knowledge, decision-making and responsibility for their own health._

DPRP MD's Improvement



Diabetes Physician Recognition Program, average performance of applicants, 1997-2003 data.
* Lower is better for this measure.

University of California Study - 2003

- MD's using one-third of 16 recommended care management processes for **asthma, CHF, depression, and diabetes**

- These Four conditions account for 140,000 deaths and & $143 billion in costs each year to the US Healthcare system

Clinical Practice Guidelines

- **Asthma**
- **Chronic Heart Failure**
- Chronic Obstructive Pulmonary Disease (COPD)
- **Diabetes**
- Disease Prevention
- Dyslipidemia
- Dysuria
- Gastric Esophageal Reflux Disease (GERD)
- Hypertension
- Ischemic Heart Disease
- Kidney Disease
- Low Back Pain
- **Major Depressive Disorder**
- Medically Unexplained Symptoms
- Nuclear Biological and Chemical (NBC) Illness
- Opioid Therapy
- Post-Deployment Health
- Post-Operative Pain
- Post-Traumatic Stress Disorder
- Psychosis
- Stroke
- Substance Use Disorder
- Tobacco Use Cessation
- Uncomplicated Pregnancy

Transformation Vision Principles

- **Current Antiquated Health System**
- Provider-centered
- Price-driven
- 46 million uninsured Americans
- Slow diffusion of innovation & knowledge
- Acute-focused
- Paper-based
- Third party controlled market [Patient-Provider-Payer]
- Little information on cost & quality
- Limited choice
- Trial lawyer litigation system
- Overall cost increases
- Care driven by volume & price

- **21st Century Intelligent Health System**
- Individual-centered
- Values-driven
- 100% coverage
- Rapid diffusion of innovation & knowledge
- Prevention and health-focused
- Electronically-based
- Binary mediated market [Individual - Provider]
- Right to know quality & cost info
- Increased choice
- New system of health justice
- Overall cost decreases
- Quality of care & quality of life

New Ideas: focus on IT

- **Delivering Psychiatric Care Through Broadband**
  - Internet-based interventions promise long-term benefits
- **Medicare Explores How to Pay Doctors for More Effective Care**
  - Physicians who can demonstrate better performance with patients stand to get a bump in pay,
- **Oncologists: More IT Coming to Cancer Care**
  - A survey finds that doctors are adopting data collection technology and that they back P4P programs
- **Report: Health IT Market to Double by 2011**
  - The market for health care information systems in the United States is projected to almost double, reaching $35 billion by the beginning of the next decade.
- **Television: The New Nurse's Little Helper**
  - More hospitals are turning to televisions as a way to improve a patient's stay, and finding that premium television services do much more than show movies
- **Study: Pay for Performance Could Save Lives, Money**
  - Initial results of CMS demonstration project of pay-for-performance show that enforcing a higher quality of care for just five major illnesses and procedures could have saved almost 6,000 lives and $1.35 billion in hospital costs in 2004.

Other Examples of New Ideas

- **OB Care**
  - Teams
  - Fewer visits with no change in outcomes
  - Improved facilities with attention to courtesy and similar issues

Intelligent Health System

- By creating an IHS, focused on the microsystem of the provider, the patient, and the IT system, we can turn the previous challenges of providing outcome focused care into successful interactions.
- Improved interactions, safety, and courtesy results in people wanting to use the military health system….
- With improved health outcomes & improved quality of life, we will
  - lead longer lives
  - at lower cost and
  - save individuals, companies and governments billions of dollars.